

EXHIBIT 17
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Q4 2008 Hormel Foods Corporation Earnings Conference Call

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CONFERENCE CALL PARTICIPANTS

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 Tim Ramey, D.A. Davidson & Co. - Analyst
 Diane Geissler, Merrill Lynch - Analyst
 Farha Aslam, Stephens, Inc. - Analyst
 Christina McGlone, Deutsche Bank - Analyst
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 John McMillin, Lord Abbott - Analyst

PRESENTATION

Operator

Ladies and gentlemen, thank you for holding. And welcome to the Hormel Foods fourth quarter earnings conference call on the 25th of November, 2008. Throughout today's recorded presentation, all participants will be in listen-only mode. After the presentation, there will be an opportunity to ask questions. (OPERATOR INSTRUCTIONS) I will now hand the conference over to Mr. Kevin Jones, please go ahead, sir.

Kevin Jones, Hormel Foods Corporation - Director of IR

Good morning. Welcome to the Hormel Foods conference call for the fourth quarter of fiscal 2008. We released our results this morning before the market opened around 6:30 a.m. central time. If you did not receive a copy of the release, you can find it on our website at www.hormelfoods.com under the Investor section.

On our call today is Jeff Ettinger, Chairman of the Board, President, and Chief Executive Officer, and Jody Feragen, Senior Vice President and Chief Financial Officer. Jeff will provide a review of the operating results for the quarter and the year, then Jody will provide detailed financial results for the quarter and the year. Jeff will then provide an outlook for fiscal year 2009. The line will be opened for questions following Jeff's closing remarks. An audio replay of this call will be available beginning at 11:00 a.m. central time today, November 25, 2008. The dial-in number is 800-405-2236, and the access code is 11118122. It will also be posted on our website and archived for one year.

Before we get started with the results of the quarter, I need to reference the Safe Harbor Statement. Some of the comments made today will be forward-looking and are made under the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from those expressed in or implied by the statements we will be making. Among the factors that may affect the operating results of the Company are fluctuations in the costs and availability of raw materials, and market conditions for finished products. Please refer to pages 26 through 31 in the Company's 10-Q for the fiscal quarter ended July 27, 2008 for more details. It be accessed on our website. Now I will turn the call over to Jeff.

Jeff Ettinger, Hormel Foods Corporation - Chairman, President, CEO

Good morning. Results for our fourth quarter were mixed. Top line growth was strong, with sales for the quarter reaching \$1.86 billion, up 12% from the prior year, and up 10% excluding acquisitions. However, our bottom line results were clearly disappointing to us. Earnings per share for the quarter were \$0.50, compared to \$0.73 last year, a decrease of 32%. Included in these results was a \$20 million investment loss in the Company's rabbi trust.

For the full year sales were \$6.75 billion, up 9% from last year and up 7% excluding acquisitions. Earnings per share for the full year were \$2.08, down 4% from last year. Total segment operating profits were up 6% from a year ago.

Without question, we are in a unique and challenging economic environment. Demand has been impacted by the trend to more at-home dining, and through changing consumer preferences at retail. These circumstances, coupled with spikes in certain raw material costs, took a toll on our earnings this quarter. Nevertheless, we had some positive highlights during the quarter as well.

I will now take you through each of the segments. For our Grocery Products segment, dollar sales were up 6% and segment profit was down 3%. For the year, sales were up 8% and segment profit was up 5%. As has been widely reported in the media, sales of the SPAM family of products were up solidly during the quarter. I am also pleased to report that other core items such as Hormel Chili, Dinty Moore Stew, and Mary Kitchen Hash, also experienced strong dollar sales and volume growth.

For Grocery Products on the flip side, sales of Hormel Completes microwave meals slowed during the quarter, attributable to the combination of higher pricing and apparent changes in consumer buying preferences. In addition, margins for several grocery products items were pressured during the quarter, primarily due to higher beef and pork trim costs.

The Refrigerated Foods segment capped off a strong year with a solid fourth quarter, reporting 11% higher sales, up 9% excluding

acquisitions, and 12% higher segment profit. For the full year, sales increased 8%, 24% excluding acquisition, and segment profit increased 22%. Declining hog prices and favorable cutout values were the primary drivers of earnings growth for this segment during the fourth quarter.

In our Meat Products group, products experiencing strong growth during the quarter included Natural Choice deli meats, Hormel refrigerated entrees, and Hormel Always Tender flavored pork loins. However, margins on some meat product items were pressured by spiking input costs that we were not able to offset with pricing. Our Food Service division experienced flat sales, as they were affected by the industry-wide declines in away-from-home dining. Our Farmer John group saw improved results during the quarter, primarily as a result of their fresh pork operations.

For Jennie-O Turkey Store, the 44% drop in Q4 operating profit was about what we expected, but that did not make it any easier to absorb in terms of its effect on our Company-wide results. Sales dollars were up 11%, reflecting a combination of necessary price advances and some volume gains, and for the full year sales were up 9%, while segment profit was down 27%. An industry wide excess supply of commodity turkey breast meat and lower demand has resulted in a stagnant market. Higher input costs for feed and fuel also contributed to the decline in operating profit during the quarter of Jennie-O Turkey Store.

The retail segment of Jennie-O Turkey Store continues to be a bright spot, with volumes and sales dollars increasing during the quarter. In particular, sales of Jennie-O Turkey Store tray pack products and turkey burgers continued to registered impressive sales gains. The Specialty Foods segment had an excellent quarter, with sales, volume, and segment operating profit all experiencing double-digit increases.

Operating profit was up 49%, and dollars sales were up 20%, up 16% excluding acquisitions, with all three sub-business units contributing to these gains. For the full year, operating profit for Specialty Food increased 14%, and dollar sales were up 12%, up 11% excluding acquisitions. Results in Specialty Products were driven by increased sales in contract manufacturing and savory ingredients. Diamond Crystal's results were led by higher nutritional sales volume and the Boca Grande Foods acquisition. Century Foods International finished off an excellent year, with significant gains in tonnage and sales in blended ingredients, nutritional powders, and ready-to-drink products.

In the All Others segment, our international business had a soft ending to an otherwise excellent year. In the fourth quarter, operating profit was down 8%, while dollar sales were up 34%. For the full year, sales were up 27%, and operating profit was up 17%. Results in the quarter were adversely impacted by higher raw material costs and the strengthening dollar against key currencies. Positives for international during the quarter were strong exports of fresh pork and strong sales of the SPAM family of products.

At this time, I will turn the call over to Jody Feragen to discuss the financial information relating to the fourth quarter and fiscal 2008.

Jody Feragen, Hormel Foods Corporation - SVP, CFO

Thank you, Jeff. Good morning. Earnings for the fiscal 2008 fourth quarter totaled \$67.8 million, or \$0.50 per share, compared to \$101.2 million, or \$0.73 per share, a year ago. Earnings for the 12 months of fiscal 2008 totaled \$285.5 million, or \$2.08 per share, compared to \$301.9 million, or \$2.17 per share, a year ago.

As Jeff eluded to at the outset, the rabbi trust losses were the primary driver of our earnings missed for the year. This trust was explained in the Earnings Release. Those investment losses do not affect the Company's cash flow, nor is the Company under any obligation to recapitalize the trust funds.

Dollar sales for the fourth quarter totaled \$1.9 billion, compared to \$1.7 billion last year, a 12% increase. Acquisitions added about \$23 million to the top line in the fourth quarter. For the full year, dollar sales increased 9%, to \$6.8 billion. Acquisitions added \$130 million to the top line for the full year.

Volume for the fourth quarter was 1.2 billion pounds, up 3% from fiscal 2007. Acquisitions added about 15 million pounds to the quarter. Volume for the full fiscal year was 4.7 billion pounds, up 5% from fiscal 2007. Acquisitions added about 88 million pounds to the full year.

Our selling and delivery expenses in the fourth quarter were 11.4% of sales this year, compared with 11.6% last year. Year-to-date, selling and delivery expenses were 12.4% of sales, compared to 12.5% last year. We expect selling and delivery expenses to be about 12.2% of sales for fiscal 2009, as lower fuel costs are offset by higher marketing expenses.

Advertising expenses were 1% of sales for the quarter, compared to 0.8% last year. While year-to-date advertising expenditures increased in absolute dollars, the expenses were 1.5% of sales, even with fiscal 2007. Advertising expenditures for fiscal 2009 are expected to exceed those of fiscal 2008, as we continue media campaigns to support our brands.

Our general and administrative expense was 2.3% of sales for the quarter, the same as last year's fourth quarter. For the full fiscal 2008, general and administrative was 2.6%, even with last year. We expect general and administrative expenses to be about 2.8% of sales in fiscal 2009.

The dramatic decline in investment income was attributable primarily to the performance of our rabbi trust assets. The decline reflects the overall challenging investment environment. We experienced a \$20 million investment loss, most of which occurred in the last months of the quarter, compared with the \$5 million gain for the same quarter a year ago. For the full year, investment losses were about \$29 million.

Interest expense for the quarter was \$7.4 million, compared to \$7.7 million last year. Year-to-date interest expense was \$28 million, compared to \$27.7 million last year. We expect interest expense to be approximately \$29 million for fiscal 2009. Total long-term debt at the end of the quarter was \$350 million, and we ended the quarter with \$100 million outstanding on our short-term line of credit, related mostly to working capital.

Depreciation and amortization for the quarter was \$31 million, compared to \$33 million last year. For the full year, depreciation and amortization was \$126 million, compared to \$127 million last year. We expect in 2009 that depreciation and amortization will approximate \$130 to \$135 million.

Our effective tax rate in the fourth quarter was 41.9%, versus 34.9% in fiscal 2007. This higher rate is attributed to the mark-to-market losses in the rabbi trust, which are not tax deductible. The year-to-date effective tax rate is 37.6%, compared to 35.7% last year. For fiscal 2009, we expect the effective tax rate to be between 36% and 37%.

Capital expenditures for the quarter totaled \$30 million, compared to \$29 million last year. For the full year, capital expenditures totaled \$126 million, even with last year. For fiscal 2009 we expect capital expenditures to approximate \$140 million to \$150 million, mainly related to completion of our new production plant in Dubuque, Iowa. Given changes in consumer preferences, we intend to use this plant for both microwave and canned product manufacturing.

As we stated in our Earnings Release, we will continue to be conservative in managing our capital. That said, our priorities continue to be using our cash flow to grow our business and return cash to our shareholders. We are more cautious today, given the uncertainty in the credit markets, but we do remain confident that adequate capital will be available to meet our strategic growth needs.

The basic weighted average number of shares outstanding for the fourth quarter and full year was 135 million. The diluted weighted average number of shares outstanding for the fourth quarter was 136 million, versus 137 million for the full year. We repurchased 367,000 shares of common stock during the fourth quarter, at an average price of \$35.62. We have 2.3 million shares remaining to be purchased from the 10 million share authorization in place. As I stated before, we will continue to be strategic in repurchasing shares of our stock as the use of our free cash flow.

We processed 2.4 million hogs in the quarter, even with last year. For the full year, we processed 9.5 million hogs, compared to 9.4 million last year. Average live hog cost in the fourth quarter was \$57.00 per live hundred weight, just below our forecasted range of \$58.00 to \$62.00 that we called out during our third quarter conference call. This compared with an average live base of \$49.00 in the same quarter last year.

At this time, I will turn the call back over to Jeff to discuss the outlook for fiscal 2009.

Jeff Ettinger, Hormel Foods Corporation - Chairman, President, CEO

Thanks, Jody. As set forth in our Release, we anticipate a combination of external factors to impact our business in fiscal 2009. The challenges we face include an oversupply of Turkey breast meat and higher commodity costs during the early part of the year at Jennie-O Turkey Store, the prospect of increasing hog prices as supplies gradually decline, and the uncertain economic environment affecting consumer demand. Opportunities include the flexibility that our strong balance sheet provides, the stability of our balanced model, and the continued momentum and success of our value added products. On this latter point we remain on track to achieve our \$2 billion of new product sales by 2012, from sales of products introduced since the year 2000.

After assessing these factors and our business plans for the upcoming year, we have established our fiscal 2009 guidance range at \$2.15 to \$2.25 per share, versus the \$2.08 per share results we announced today for 2008. Consistent with my comments in our August conference call, our first half earnings will likely be down, in comparison to our strong start in fiscal year 2008. We do expect to rebound sharply in the second half, allowing us to achieve higher earnings for the full year in 2009.

I remain confident about our future, notwithstanding the difficulties posed by various macro factors. We have a great team of experienced, dedicated employees. We have a strong portfolio of leading brands within their categories. We are still the leader of value added meals that feature protein. Our products have proven to be highly relevant to consumers during hard times, as evidenced by our continued sales growth. We operate from a solid financial position, which not only gives us the flexibility to weather hard times, but also positions us to make strategic investments in areas that can generate additional profitable growth for our Company.

Finally, we believe our stock is under-valued and that investors with a long-term outlook seeking a quality investment would be well served to give serious consideration to an investment in our Company. At this point, I would like to turn the call over to the Operator for questions and answers from our participants.

QUESTIONS AND ANSWERS

Answer – Operator: Thank you, sir. (OPERATOR INSTRUCTIONS) First question comes from Robert Moskow. Please state your company name, followed by your question.

Analyst: Robert Moskow, Credit Suisse - Analyst

Question – Robert Moskow: Credit Suisse. Thank you. I guess two questions. One is you know, Jeff, I remember in 2002 and 2003, when there was a glut of protein on the market because exports to Russia of chicken dried up, and now we're in a situation where the currency has strengthened, and you could see probably a broader issue there, and I want to know if you think that Hormel will face the same kind of pressures today that it felt back then.

And then secondly, maybe I missed it, but can you give a little more color on what you're doing with your Completes business and what your pace of investment is now, and whether you're going to slow down or not and maybe refocus on cheaper canned goods instead. Thanks.

Answer – Jeff Ettinger: Sure, Robert. First of all in terms of the protein and the export situation, we're obviously at this point coming off of, historically, very strong export markets. We're not counting on those types of markets in our 2009 expectations. We've already seen somewhat of a downturn. At this point, we're not seeing a backup of the raw materials that we're putting out into the market, either through our turkey or pork operations. Time will tell whether, either because of currency issues or because of trade issues, if any of these trading partners put us back into a mode that would be more like '02 and '03, but our best expectation right now is for a slowdown but nothing precipitous.

In terms of some color on the Completes product line, that line is obviously coming off of tremendous momentum over a several year time frame. We continue to feel that the item is an excellent consumer proposition, both in terms of value and in terms of convenience. I can see that we've been a little surprised by the turnaround in the business over the past quarter, or even a couple

months beyond that. It clearly seems to be having an economic effect in terms of consumers' immediate reaction to the recession. We've seen in the case of some of our heavier consumers, perhaps before they were throwing six of these items into the cart, now they're throwing three or four in. Clearly, any time you go to a convenience item, there is an element that you're potentially trading convenience for price, and that maybe you could see some migration back to some of the canned items that some of these items are derived from.

I would point out, however, in the Completes franchise, we have a number of the options are items that really you can't get in a can. We have pork roast, we have beef roast items, we have whole muscle chicken breast items, and so we're kind of retooling our strategy there. We think we have good plans in place in 2009 to support both the red label traditional Completes line and the newer more health-oriented Green Completes items that we introduced in the market this year. We don't expect the 30, 40, 50% growth that we had been experiencing, but we do expect to turn it around and have a positive year on Completes in 2009.

Question – Robert Moskow: And then lastly, you said that your stock is undervalued. And maybe just give us a little more color on how you intend to use your cash flow over the next 12 months, in terms of buying back that stock and how quickly you can do it?

Answer – Jody Feragen: I guess I'll step in and take that call. You know, certainly as we were moving into our blackout period at the end of the fourth quarter, there was a significant amount of turmoil in the credit markets, and access to capital certainly was uncertain at that point. We did not have a repurchase plan in place during the blackout period. Given that, now that we've passed those six weeks and we are seeing that the credit markets, while they're still very uncertain, seem to have returned to a bit more normalcy, and I would expect that if we come out of this call and into an open period where our stock is trading at these levels, that we would take advantage of that.

Answer – Jeff Ettinger: And Robert, on the valuation side, time will tell I guess where the total market settles in in terms of what are appropriate multiples. I guess we look at a Company that still has very solid momentum in its sales, that when all is said and done ended up with a 4% decline in earnings even counting our rabbi trust loss, but has a stock that's down 20% to 30% as being a good proposition for somebody in the long run.

Question – Robert Moskow: Okay, and have you said how big your share repurchase program is, or are you going to the Board to make a recommendation on how big it could be?

Answer – Jody Feragen: Right now we have the 2.3 million shares under the original authorization remaining.

Question – Robert Moskow: Okay. So are you going to go back and ask for a bigger authorization?

Answer – Jeff Ettinger: We'll have that discussion with the Board as we get closer to finishing out the authorization that's in place.

Question – Robert Moskow: Okay. All right. Well, thank you very much.

Answer – Jeff Ettinger: Sure.

Answer – Operator: Next question comes from Tim Ramey. Please state your company name, followed by your question.

Analyst: Tim Ramey, D.A. Davidson & Co. - Analyst

Question – Tim Ramey: Good morning, D.A. Davidson.

Answer – Jeff Ettinger: Hi, Tim.

Question – Tim Ramey: Hey, Jeff. Did you make an assumption on the rabbi trust for your 2009 guidance, or have you just assumed neutral? How do we think about that and I think Jody, you mentioned that the mark there is not tax deductible. Would you confirm that it was about \$0.15 a share then in EPS for your 4Q?

Answer – Jody Feragen: For the fourth quarter?

Question – Tim Ramey: Yeah.

Answer – Jody Feragen: Hang on. It was \$20 million. Are you looking at the delta?

Question – Tim Ramey: No, I'm not looking at the delta. The delta would be even bigger, wouldn't it?

Answer – Jody Feragen: Yeah. It's not as simple as that because you'd have to go back through and recalculate, but you get the idea that it was a significant impact. For 2009, obviously I'm not planning on having another \$29 million. I do have built into the guidance range some further deterioration in the rabbi trust. I'm hoping that doesn't come to pass.

Question – Tim Ramey: Okay. Is there anything you can do to hedge that, or would you do anything to hedge that?

Answer – Jody Feragen: Obviously, if I sold the assets today, I'm only realizing things that now are just paper losses, so a little patience, and wait for the market to get back, and then we do have a plan in place.

Question – Tim Ramey: Okay. And Jeff, you didn't really talk about any benefit to gross margin, or if you did I missed it, for '09. But do you anticipate gross margin benefit? I know you might be thinking about paying higher protein prices later in the year, but a lot of other things have certainly moved your direction.

Answer – Jeff Ettinger: I think we will see that, if you can look at discrete quarters in the later part of the year, as kind of a hard read on the full year basis, given what we're starting with. We still have the carryover effect of the 22 week build-up on the turkey inventories. We also have a very significant kind of build-up in terms of commodity meat values in that part of the business, that as we talked about in the last call, need to work their way through. Clearly the clouds are clearing in that sense, and we should be in a much better position if the current input cost environment holds and if we get out of the oversupply issue, kind of gets back to Robert's first question, that would be the one wild card, would be if exports were to be severely diminished, then that could harm

that. Our outlook right now as I mentioned earlier, for some decline in exports but nothing calamitous.

Question – Tim Ramey: This may be a hard question to answer, but if you think about, say, some of the stunning results in Tyson's pork business recently, your results in the 4Q were good, but not stunning. How would you contrast that? That will be my last question, thank you.

Answer – Jeff Ettinger: That's fine. Our Refrigerated Foods business had a really wonderful year overall. We're expecting 2009 to be a more challenging year for them, especially when you look at the comps that they're going right out of the gate against. They had a 50% up quarter in Q1, and over 20% in Q2.

Right now the overall cutout values as we speak are not as favorable as they were a year ago. We have the added pressure that we have a pretty significant Food Service component in our business that is not performing as well as it would have in a year ago's time frame. So overall, clearly we're very happy with the year. In terms of the quarter, some of their value added businesses experienced some of these same kind of spikes in certain raw materials that compressed margins in some of the value added areas. I couldn't speak to how that impacted Tyson, but clearly that was something that pulled down our results for the quarter, and that has us being cautious about the 2009 outlook for Refrigerated.

Question – Tim Ramey: Thanks, Jeff.

Answer – Operator: Next question comes from Diane Geissler. Please state your company name followed by your question.

Analyst: Diane Geissler, Merrill Lynch - Analyst

Question – Diane Geissler: It's Merrill Lynch, still.

Answer – Jeff Ettinger: Hi, Diane.

Question – Diane Geissler: Good morning. Just on the change in the direction of the plant, my timetable was that you were scheduled to get that up and running later next year. I have November 2009 and maybe my date is incorrect. But I guess I just am curious if you're switching now to some production there will be canned goods, is that something you can bring on earlier, or are you anticipating a lengthy recession here, that by the time you bring it up online late next year, things may already be improving and therefore we wouldn't necessarily want that much exposure to canned goods. So if you could sort of talk us through your thought process there, as far as the timing.

Answer – Jeff Ettinger: Very fair questions, Diane. Timing wise it's not a significant change. You're correct that we had announced the plant would open in November 2009. Our assessment right now, now that we've had several months of construction and now that we're in the process of ordering the different types of equipment that would need to go in, it will likely come online in January 2010, so we're talking maybe a couple months at the most difference. The walls are already up. The roof will be on by the end of this year.

There really isn't any way to accelerate the opening of the overall plant, and so that would still be our game plan, whether we put Canning franchises in there or Microwave. In terms of our assessment of the opportunity, we really have seen excellent momentum in many of our canned items that predates the recession starting. I mean, we put a lot of effort against new product development in some of these franchises. We've done a lot with both trade promotion and our consumer advertising campaigns. And yeah, we do believe that there's a benefit clearly from the economic times we're in as well.

So we've been having to run a lot of our existing grocery products facilities very hard on Saturdays and Sundays in many of the weeks, and so we took a look at the fact that the Completes momentum wasn't what we had originally anticipated when we first announced the plan. We still feel we need the one new production line and that will be a more efficient line for us than where we have been producing it, and we do expect that business to grow in '09. But we think we'll have several options of different product lines we could put into that facility that would be on the canned side of the business that would benefit us over a long period of time. We wouldn't put a line in there if we felt it was just going to be for a few months' benefit.

Question – Diane Geissler: Okay. Great. I appreciate the color there. And then I guess in your Press Release on the outlook side, you did talk about potential decline of supply and I'm assuming you mean hogs and beef. We saw the cattle on feed number late last week, that was a little bit lower than what the trade was looking for. What are your expectations about how the supply of market-ready animals will be as we head through the year, so maybe quarter by quarter, if you have an overview there of what you're looking for on the supply side.

Answer – Jeff Ettinger: I'll let Jody speak to the quarters. I can give you the overall. I mean, the picture we're looking at is about a 3% to 4% decline in both the turkey side of the business and the pork side of the business. Obviously in turkey, we have more direct control over that supply system and started with the amount of [polts] we placed in the system back last summer, so we have pretty good confidence of what numbers we'll see in that regard.

On the pork side we've been paying close attention to overall sow liquidation, which was occurring during the later part of the summer, and which has slowed down quite a bit lately. That's our best read, our best guess right now is probably more in the spring to late winter is when you'll see that come on, and Jody, if you want to add some detail to that, that would be great.

Answer – Jody Feragen: That's absolutely right. Our group's thinking the March, April time frame, and certainly while we have seen actually the sow numbers, prior to more recent times decline, we're also seeing productivity improve. So that mitigates some of that decline. Jeff's right in the overall, and I would expect that sometime toward the end of our second quarter that we would start seeing the numbers coming to market decrease.

Answer – Jeff Ettinger: I guess the other reason we pointed it out is when you track our tonnage numbers for total Refrigerated Foods in Jennie-O next year, you likely will see a down year, based on these input costs. We still expect to be able to push our value added businesses within these franchises.

Question – Diane Geissler: I then I guess, Jody, could you give us an outlook on the hog costs in the first quarter?

Question – Diane Geissler: You did better this quarter than you thought you were going to back in August.

Answer – Jody Feragen: You know, there are so many moving pieces to that that I think that you'll get your sources from industry, and that will be just as good as what I can do for you, Diane.

Question – Diane Geissler: Okay. Well, can you give us an idea of what you're looking for in terms of the guidance you've given?

Answer – Jody Feragen: As far as the guidance we're giving, we're looking at hog costs that would be above first quarter 2008.

Question – Diane Geissler: Okay. Thank you.

Answer – Jody Feragen: You bet.

Answer – Operator: Next questions come from Farha Aslam, please state your company name, followed by your question.

Analyst: Farha Aslam, Stephens, Inc. - Analyst

Question – Farha Aslam: Good morning, Stephens, Inc. What is the size of the Completes business now?

Answer – Jeff Ettinger: Oh, it's \$150 to \$200 million range.

Question – Farha Aslam: Okay. And Jeff, you had mentioned that it was the economy that's slowing that business. You've also had new competitors enter that category. How would you characterize the impact of competitors versus economy?

Answer – Jeff Ettinger: At this point, we haven't seen as significant of a competitor impact. There are new players in it. Del Monte's been in for most of the year. ConAgra's Healthy Choice offerings have hit the shelf in isolated stores, that may divert a feature to the new item versus our item that has been out there. But I think we talked about before, we think it's a section that eventually in the store is going to be a large section, and we'll be able to handle multiple players, providing support to the category.

So really, our best read right now is the bigger effect for us has been the economic issue, obviously as we talked about before, we had to take pricing on the line and that's been a challenge to into this environment. But we really need to just sort through how to get people back into looking at the convenience and flavor features of the items, and I guess our knowledge is that we're really not alone in this. It seems like most of the competitive information we see out there would indicate that others in these microwavable or even frozen convenience meals are seeing this at least short-term decline away from their categories, as consumers react at least to the first stage of a recessionary environment.

Question – Farha Aslam: Continuing on that theme, could you talk about how consumers are purchasing protein in your refrigerated space from kind of your fully cooked entrees all the way down, what trades are they making there?

Answer – Jeff Ettinger: The biggest trades we're seeing in Refrigerated world would be obviously Food Service has seen a shift in volumes to the non-commercial side from some of their commercial operators, and obviously just a downturn, period. I mean, our numbers for the year in volumes were flat. That's a unit that historically has grown at an upper single digit range for us. We think they're still holding their own in terms of share and categories, and they're doing a great job of innovating and seeing good growth still of the Cafe H's and Austin Blues and Natural Choice and those types of items, and so we're obviously pushing those right now.

We're also seeing some migration kind of out of the service Deli, particularly when you look at the turkey side of the business. That's part of why turkey breast meat is backing up on an industry basis, and we have observed that in our business. In the service case, you pay for that service, so that's already a much higher ring item per pound than some of the equivalent items in a pre-packaged form, and we've obviously been in a position where pricing had to go up, with all the cost inputs going up as high as they have. So that's in some cases widened that gap even more, and so there has been some migration away from that.

Question – Farha Aslam: And my final question is you expect commodity costs to be up in your turkey division in the fiscal first half. Is that reflecting grain hedges or how grain flows through the turkeys? Could you share some detail on that front?

Answer – Jeff Ettinger: Sure Fahra, it's really a little bit of both. We clearly will have that expectation for the first quarter, in terms of just sheer cost impacts and the flow-through of costs, and then we should start seeing some improvement in the second quarter, but we don't have an exact count yet as to what that measure will be. And then although we don't articulate exact hedge positions, we have stated in the past that our policy would put us anywhere between 25% and 75% hedged on grain, and we do acknowledge that we have hedge positions in place right now that are above the current market, and so that would factor into our overall guidance for that segment as well.

Question – Farha Aslam: Okay. Thank you very much.

Answer – Operator: Next questions come from Christina McGlone. Please state your company name followed by your question.

Analyst: Christina McGlone, Deutsche Bank - Analyst

Question – Christina McGlone: Good morning, Deutsche Bank.

Answer – Jeff Ettinger: Hi, Christina.

Question – Christina McGlone: Good morning. Jeff, I wanted to talk maybe about Grocery, because when I think about looking out, trim costs have come down a lot, we should be seeing a greater supply of manufacturing beef because of imports, and your mix does lend itself to economic weakness. So I'm curious, what is the offset? Are we seeing more private label competition? Is it more difficult to price? What's offsetting the benefits that we see looking out?

Answer – Jeff Ettinger: Well, for starters, Christina, we have a pretty solid expectation for Grocery products in 2009. We do feel that they have on trend items that should benefit from both a consumer interest and from some of the cost factors you mentioned. During this last quarter, you mentioned trim costs for example, I mean, there was a very significant spike in trim costs that hurt not only their part of the business but Burke and some of the other areas where we use trim and raw materials for the meat items as well, that has settled way back down, and so that's clearly in the rear view mirror now.

So we have solid expectations for the unit going forward. They ended up generating a full year increase in segment profit of about 5%; that's a couple of years in a row they've hit at that level, and our expectation is they should be able to deliver in the high single digit level, which is kind of the typical norm of the Packaged Food competitive set.

Question – Christina McGlone: In terms of private label competition, have you seen that heat up at all?

Answer – Jeff Ettinger: We've seen it in some categories. It's more significant than ever in salsa and it's been more significant in chunk chicken and chunk meat items, so it varies by segment. It clearly has not harmed us at all, in terms of some of our [Bell Weather] franchises like Dinty Moore Stew, or SPAM luncheon meat, or Hormel Chili, or Mary Kitchen Hash; they're all very solidly up for the year and continue to have momentum all the way through the end of the year.

Question – Christina McGlone: Looking at Jennie-O, when you last gave us guidance, it seems that there have been really aggressive cuts in turkey egg sets and corn has come down, and I guess you just talked about some your hedges. Are you maybe more optimistic than you were, or has something else come in on the negative side?

Answer – Jeff Ettinger: I guess I'm about the same. I mean, it just takes a while to turn that ship around in that industry, and so we've felt, even as of last conference call, that it was not going to be early in the year that we saw the immediate improvement, but in the long run those macro factors you mentioned should be favorable to turkey. We should see strengthening in price as the cutbacks roll through the various systems in the industry, and we should see improvement on the grain side.

Now, the only other outlook that's hard to know right now would be are today's grain markets going to hold. Corn has been tracking very closely with oil for the past 18 to 24 months. At some point it's own supply and demand equation may well kick in, and we still do have the added challenge in this industry that ethanol today uses over 30% of the corn crop and has mandates in place to continue to use an even greater percentage of it. That's something we're mindful of and watching out for going forward. But overall, I guess my outlook is still about the same, which is that we should be in a better position with that business in the second half and heading into 2010.

Question – Christina McGlone: Okay. And then just last question, I was curious if there's an impact from country of origin labeling on your business?

Answer – Jeff Ettinger: There's no financial impact. We're clearly, as anyone else has to in the industry, are prepared to handle it. For us it's a customer-specific item, so we're prepared to have either product of US only, or product of a mix of US and Canada. Being in the upper midwest and not owning our own farms, we deal with the family farms in the region and historically, they have brought in baby pigs to raise in their systems and finish in the country, and those are considered then a mixed origin product, and so we offer our customers either products that's segregated with only product from the US, or the mixed origin product.

Realistically, the latter is going to be a more price competitive item for them. Any time you do a special segregation, whether it's for organic or natural or you name it, you're adding some cost to the system. That's what the government has chosen to do. We're in a position to be able to respond to it and handle it, but we don't see it having an impact on us economically.

Question – Christina McGlone: Okay. Thank you.

Answer – Operator: Next questions come from Ann Gurkin. Please state your company name followed by your question.

Analyst: Ann Gurkin, Davenport & Company - Analyst

Question – Ann Gurkin: Ann Gurkin with Davenport, good morning. Just want to continue on with Jennie-O just a little bit. With the feed prices down and assuming they stay at this level, when do you think turkey prices would catch up with your input costs?

Answer – Jeff Ettinger: Probably in the later spring to early summer. The one I'm more hedged on to be honest with you is the price side. The cost inputs as we've talked about are kind of a flow-through and you see them coming. It's just harder to read. There's a fairly significant backup in cold storage. Meat's just not moving right now. This is not the time of year where breast meat does move very readily.

We'll certainly have a recovered supply demand outlook even by spring, but you how long will it take to clear some of the prior product, that's the question to me. My best outlook would be late spring, early summer.

Question – Ann Gurkin: Your grocery products segment in the past, say, four to six weeks, have you seen any significant change in either consumer buying, consumer behavior or competitive behavior, either pricing or innovation or anything like that?

Answer – Jeff Ettinger: Nothing that we didn't talk about in the release or the script. It really was a phenomenon for really the whole quarter, the shift away from microwave a little bit, and toward, for us, the canned items, but more a family oriented item. Otherwise, no, there's nothing that's been going on just in the last few weeks that I could point to.

Question – Ann Gurkin: Thank you very much.

Answer – Operator: Next questions comes from Mike Hamilton. Please state your company name followed by your question.

Analyst: Michael Hamilton, RBC Capital Markets - Analyst

Question – Michael Hamilton: Good morning, Mike Hamilton, RBC.

Answer – Jeff Ettinger: Hi, Mike.

Question – Michael Hamilton: First, just a question coming back to repurchase for Jody. Is there anything in your guidance that you're taking off of share repurchase this year?

Answer – Jody Feragen: Not significantly. No.

Question – Michael Hamilton: Thanks. Jeff, could you talk a little bit about what you're seeing out of Farmer John, you made a couple of comments on the processing side, but what you're seeing at retail, and what your tactical opportunities are here in the year ahead?

Answer – Jeff Ettinger: I'm seeing improvement, but a business that still has a long way to go. They've done a very nice job of improving the presence of the brand in the marketplace. You know, it is the share leader, and we're starting to build our shelf positions to be more equivalent to what we deserve for the kind of share we have in the marketplace. I think both their trade and consumer promotion efforts have been really quite strong. They've done a nice job in the last couple years building their Food Service franchise, and they have some excellent customers in that area. We're nowhere near the kind of positive [EVA] return we want to have on the investment we made in that Company but we're headed the right direction and we think they're doing the right things to get us there.

Question – Michael Hamilton: Finally from me, anything in this environment that you're planning on doing on the cost take-out side?

Answer – Jody Feragen: Well, I can tell you that. Certainly with these challenging economic times and the amount that we have invested in some of our working capital, we're asking everyone to really focus on getting our working capitals back in line, as well as any discretionary expenses, any capital expenditures that we can potentially wait on, we're taking looks at all those things. So I think just like the consumers are today, we take that stance with the Company.

Question – Michael Hamilton: Thanks for the help.

Answer – Operator: Our next question comes from Chris [Pulitzer]. Please state your company name followed by your question.

Analyst: Chris Pulitzer, Barclays - Analyst

Question – Chris Pulitzer: It's Barclays.

Answer – Jeff Ettinger: Hi, Chris.

Question – Chris Pulitzer: Couple of questions. I know in Completes it sounds like you're saying the ConAgra [entrance] there, Del Monte competition in there, is maybe not such a big deal of the broader economic environment, but I was wondering how much of an effect do you think you're seeing in that category from a more promotional pricing behavior in the Frozen Entrees category, or is it really that there's little cannibalization of shelf [staple] by Frozen?

Answer – Jeff Ettinger: If anything, we kind of felt we've benefited the other way around. That clearly has been somewhat of a source of volume for us is to source away from Frozen, because the product offers, especially in an office environment, so many benefits in terms of where you store it, how long it takes to heat up, the consistency of heating, et cetera. So no, we really haven't see the opposite occur. It seems to be more decisions consumers are making about how many of the items to purchase at a given time and their value perception within our part of the shelf.

Question – Chris Pulitzer: And then if I'm just thinking about other categories where you compete and kind of the deflationary grain and energy environment we've seen more recently, seems like there could be some categories where there's kind of misalignment in resolve to keep in place pricing. Are there any categories that are more specific to Hormel that are kind of watch points for you?

Answer – Jeff Ettinger: In terms of deflation you're saying?

Question – Chris Pulitzer: In terms of competitors becoming more aggressive on pricing because of the deflationary grain and energy environment.

Answer – Jeff Ettinger: I mean, our business with our balanced model, we kind of live in two worlds, and so within the Grocery arena, we've really been gauging our pricing to try to maintain margins within the categories. We've not pushed them. We're not trying to widen our margins or enhance our overall profitability on pricing. And so that will continue going forward in the Grocery side.

On the Meat side, you've got a combination of there are some items that kind of move with markets no matter what environment you're in. The ham and bacon world within those arenas, fresh pork, really move on a market basis, and are going to be much more based on supply and demand as that raw material than there are overall energy costs or anything else.

And secondly, for whatever ability the Packaged Foods side has had in getting pricing to match the cost, I think it's very clear that the protein side of the business has had a heck of a time, given our supply and demand situation, to be in the same boat. That's something we explain to our customers when we go in and are still seeking pricing on certain items, is we can just point to the results of not only us, but really all of the other major players within the protein segment, that the supply and demand equation of our meat complexes did not allow us to take the pricing to fully cover our costs, and so we're still a little bit in the catchup mode here and I think we'll continue to be through the early part of '09.

Question – Chris Pulitzer: And then in looking at the balance sheet and the priority for uses of cash, it would seem to me that there's probably no shortage of cheap protein assets that are out there, and maybe could be tempting for a manufacturer with a pretty clean balance sheet. I don't suspect that you're too eager to move in a more commodity oriented direction, but I guess I was curious if there's an opportunity to leverage Jennie-O into chicken in a more value added way, and whether that brand has been tested sort of as a chicken brand with consumers?

Answer – Jeff Ettinger: We haven't really tested that brand, the chicken brand. We do have items, meal based items, within our portfolio that we utilize chicken and we see that as a potential area of expansion, but we really are not interested in getting into any

We recognize that would be a huge change to our Company to be a big player in chicken. And it's a very volatile business. It doesn't really meet the kind of long-term steady growth that we want to deliver to our shareholders. So you should see more products with chicken from us in various parts of our business, potentially including Jennie-O. They do have a deli item for example that's a chicken-based item that's a Jennie-O Turkey Store brand that has sold well for a number of years, but I don't see us getting into the kind of businesses I think you're referring to.

Question – Chris Pulitzer: So any potential asset purchases on that front would be more to fulfill internal requirements, rather than to sell commodity-based product?

Answer – Jeff Ettinger: That's correct.

Question – Chris Pulitzer: Okay. And then also on the chicken front, if we do see more permanent capacity elimination there, is that historically - - I mean, I guess there's not a lot of historical precedent, but would you expect that to be a positive for turkey pricing?

Answer – Jeff Ettinger: Yeah, I mean, the influence tends to be more on the export side. When you get into the retail grocery store, chicken is a major feature item all the time, whereas turkey is really more of a niche item, and so there's less direct relationship there, but it certainly is more favorable than not. It's never good in our industry to have a particular glut in any particular element of the protein.

Question – Chris Pulitzer: Okay. And then I guess in keeping with the challenged protein theme, are you seeing right now just anecdotally, anyway, any hog producers that are kind of close to any of the chicken guys, where they're experiencing or maybe facing bankruptcy in fairly short order?

Answer – Jeff Ettinger: No, I mean, we keep in close contact with our grower network. Clearly, these are much more challenging economic times for them than what they enjoyed during the early part of this decade. A number of the better run operations really built up some fairly significant equity in their operations though during the three to four-year run that was more positive. Clearly, the current term reduction in grain costs has been favorable to them and gives them a more positive outlook heading forward. Could you have one on a case by case basis? Yes, and that's something we would watch out for, but there's nothing rampant going on that we see in our network.

Question – Chris Pulitzer: My last question is just you had mentioned I think being exposed on hedges above current market prices. Just wondering if you could quantify any mark-to-market losses that you had in the quarter.

Answer – Jeff Ettinger: In the quarter?

Answer – Jody Feragen: You know, we use hedge accounting, so we don't mark-to-market through our P&L.

Question – Chris Pulitzer: Got it. Okay. Thank you very much.

Answer – Operator: Next question comes from [Akshay]. Please state your company name followed by your questions.

Analyst: Unidentified Participant, Keybank Capital Markets - Analyst

Question – Unidentified Participant: Good morning. This is [Akshay] from Keybank Capital Markets . How you doing? I want to just focus a little bit on the Refrigerated Foods here. I don't know if you've stated in giving your guidance, do you expect profits if Refrigerated Foods to be down next year or flat or what are you modeling? Are you willing to say that at this

Answer – Jeff Ettinger: I expect modest growth on a full year basis out of Refrigerated Foods. They could have more challenges given the comps I referred to earlier in generating a positive segment profit in the first half of the year, but if you look at the full year, that's our expectation.

Question – Unidentified Participant: Okay. The reason I ask that is because I was running some numbers and I know you're not comfortable giving out a projection for hog costs, but I just wanted to run some numbers by you, because what I'm trying to get at is, I think you eluded to about a 3% reduction in supply is what you think generally is going to happen with pork next year. So I'm trying to look at what it's going to take for you guys on the pork, on the cut-out, to get to, let's say, flat year-over-year profits. So that would imply that on my numbers, you would have to get almost a 16% increase in the pork cut-out price next fiscal year for you to have similar profit per pound going forward.

So the way I'm doing that math is I'm looking at futures which point to about a \$54.00 live price in your fiscal year '09. And I'm assuming that the dropped value stays the same as this year. But I'm just trying to understand, I mean, can you give us some guidance on what you're assuming for pricing, because that's really what I'm getting to, is you're talking about a 3% reduction in supplies, which could be debated whether that's going to happen, given what's going on on the liquidation front right now. But assuming that happens, what kind of a pricing increase do you need on the pork cutout to be able to get to flat year-over-year EBIT for Refrigerated Foods?

Answer – Jeff Ettinger: I really would have a hard time responding to a detailed modeling question on the fly here, and some of that information we really don't disclose on a regular basis. The other thing I guess I would point to, though, when you look at Refrigerated Foods, is for us it really all comes back to that we're building branded food franchises. Yes, there's an element, the results of Refrigerated Foods, they're going to be affected by the pork part of the business, both in terms of the supply and the fresh meat values, but we also have to factor in our Food Service business, our Meat Products business, our branded items, the advertising we do on those items, and so forth.

The best I can do is refer you back to what we just talked about in terms of our expectations for the business overall. It's been a wonderful growing business for us. They're coming off of a fantastic year in 2008. They had particularly strong results in the first half of '08 that we have talked about are going to be hard to match against. But overall, I would expect modest growth out of them in '09, and then after that, frankly, to have them come back to our historical long-term guidelines of our 5% revenue growth and

Question – Unidentified Participant: That's helpful. Just one more follow-up, if I may. Just focusing on the supply side, so am I right in understanding that you think there's going to be a 3% reduction in overall pork supplies in '09?

Answer – Jeff Ettinger: Yes, that's what we're factoring in to our numbers for our fiscal year. I mean, you may time it differently if you look at other companies in other fiscal years, but that's our best shot at it right now.

Question – Unidentified Participant: What does that imply in terms of that's got to be more than a 3% reduction in the herd, right, because you continue to see positive productivity numbers, so I would assume that you're thinking that the herd numbers are going to come down significantly?

Answer – Jeff Ettinger: Actually, maybe you could contact me after the call and I can give you a little bit more of that detail.

Question – Unidentified Participant: Okay.

Answer – Jeff Ettinger: Do you have another question?

Question – Unidentified Participant: No, no, that's it. I'll follow up later on.

Answer – Jeff Ettinger: Thanks.

Answer – Operator: Next question comes from John McMillin. Please state your company name, followed by your question.

Analyst: John McMillin, Lord Abbott - Analyst

Question – John McMillin: Lord Abbott. Happy Thanksgiving, everybody.

Answer – Jeff Ettinger: Hello, John. There's a familiar voice.

Question – John McMillin: I'm still here.

Answer – Jeff Ettinger: Good.

Question – John McMillin: I'm sure Joel's on somewhere too. These hedges, I mean, historically you never hedged turkey feed costs, did you? When did that change?

Answer – Jeff Ettinger: We started getting involved in hedging about four years ago.

Question – John McMillin: Is that right? Well, there you go. Okay. So this is not something that you just picked up and picked the wrong time to do it. Okay.

Answer – Jeff Ettinger: That's correct. In fact it was very beneficial in 2008.

Question – John McMillin: And basically these hedges last through how long, did you say?

Answer – Jeff Ettinger: Well, really in grain, the most you can hedge out any given time is 18 to 24 months. What we're talking about right now is 2009.

Question – John McMillin: Okay. Thanks a lot.

Answer – Jeff Ettinger: Sure, John. Operator, how many more calls are in queue?

Answer – Operator: There appear to be no further questions, sir. Please go ahead with any points you wish to raise, sir.

Answer – Jeff Ettinger: Thank you for joining us today and have a happy Thanksgiving, everyone.

Answer – Operator: This concludes today's conference call. Thank you for participating. You may disconnect your line now.

